



**DEPARTMENT OF DEFENSE
DEFENSE OFFICE OF HEARINGS AND APPEALS**



In the matter of:)
)
) ISCR Case No. 24-02358
)
Applicant for Security Clearance)

Appearances

For Government: Nicholas Temple, Esq., Department Counsel
For Applicant: Martin Hogan, Esq.

02/17/2026

Decision

HYAMS, Ross D., Administrative Judge:

Applicant failed to mitigate the personal conduct and sexual behavior security concerns. Eligibility for access to classified information is denied.

Statement of the Case

On February 26, 2025, the Defense Counterintelligence and Security Agency (DCSA) issued a Statement of Reasons (SOR) to Applicant detailing security concerns under Guidelines E (personal conduct) and D (sexual behavior). Applicant answered the SOR on April 1, 2025, and requested a hearing before an administrative judge. The case was assigned to me on December 4, 2025.

The hearing convened on January 5, 2026. Department Counsel submitted Government Exhibits (GE) 1-2, which were admitted in evidence without objection. Applicant submitted Applicant’s Exhibit (AE) A, which was admitted without objection. The other documentation that he relied on were attached to his SOR Answer and were already part of the record in this case.

Findings of Fact

Applicant admitted SOR ¶¶ 1.a-1.d, admitted in part SOR ¶¶ 1.e, 1.f, and 2.a, and denied SOR ¶¶ 1.g-1.j, with explanation. His admissions are incorporated into the findings of fact. Based on my review of the pleadings, evidence submitted, and testimony, I make the following findings of fact.

Applicant is 52 years old. He has worked as a software engineer for a defense contractor since 2024. He has never married and has no children. He earned a bachelor's degree in 1997 and a master's degree in 2021. He previously held a clearance from at least 1999-2012. (Tr. 17-19; GE 1)

Under Guideline E, the allegations are as follows:

SOR ¶ 1.a alleges Applicant paid women for sexual acts on multiple occasions, from approximately 2005 through approximately 2014. This conduct occurred, in part, while he held a security clearance. This allegation is cross alleged under Guideline D. Applicant first possessed a security clearance in 1999. He does not dispute that he solicited and hired prostitutes from 2005 to at least 2014. He met these women through escort websites. He asserted this was private and consensual behavior, and he does not see how it could be illegal if it was between two consenting adults. He also claimed that the websites he visited stated that illegal behavior was not permitted on these websites. He hired prostitutes from these websites a few times a month from 2005 through 2012. Once his security clearance was revoked, he went to Asian massage parlors to obtain sexual services. He asserted that prostitution has been legal since the beginning of time, and he was trying to make friends and help the women out. He stated the prostitutes he hired were located the U.S., but he knew that some of women were foreign nationals. (Tr. 19-118; Answer; GE 2)

In 2010 Applicant took a preemployment polygraph examination. This polygraph examination was the first time he reported hiring prostitutes and associating in this way with foreign nationals. He stated that in earlier years, he did not know the names or nationalities of the prostitutes, but as time went on, they exchanged contact information, and he learned more about them. (Tr. 19-118; Answer; GE 2)

After a second preemployment polygraph examination in 2012, Applicant lost his security clearance. In 2010 he was warned that he needed to report security matters in "real time" but still had not reported more instances of hiring of prostitutes, foreign national contacts, and financial transfers to foreign nationals. He stated that he never shared classified information with any of these foreign nationals and did not tell the prostitutes he had a security clearance. (Tr. 19-118; Answer; GE 2)

After Applicant lost his security clearance in 2012, he asserted that he stopped hiring prostitutes but instead went to Asian massage parlors for sexual services through at least 2014. He claimed he "self-counseled" to overcome his sexual addiction by watching online videos about the dangers of prostitution. He claimed he has provided information to local and federal law enforcement about prostitution rings and made

suggestions on how to break up sex trafficking rings. He stated he was outraged to find out that clients abuse the prostitutes and pimps steal from them, and he wanted law enforcement to protect them from this behavior. He asserted that he told authorities the methodologies they should use to discover the perpetrators and how to collect evidence to prosecute them. No documentation was provided to substantiate these assertions. He testified that he continues to visit escort websites to gather information for police but does not use them to hire escorts anymore. (Tr. 19-118; Answer; GE 2)

SOR ¶ 1.b alleges Applicant deliberately omitted his history of paying women for sexual acts from his December 2007 background investigation, due to the potential negative consequences of disclosing this information. He claimed that the relevant questions asked if he was paying foreign nationals for sex, and since he did not know for sure if they were foreign nationals, he did not disclose it. He also stated at that time, he had not asked the prostitutes their real names, so he had no information to report. (Tr. 19-118; Answer; GE 2)

SOR ¶ 1.c alleges in 2008 Applicant sent a payment of \$5,000 to a woman in South Korea whom he had previously paid for sexual acts. This allegation is cross- alleged under Guideline D. He initially met her when he hired her as a prostitute on multiple occasions in 2008. He claimed he discussed having a relationship with and eventually marrying this woman. He thought giving her money would help her pay her debts to her pimp, and free her so they could be together. He earned about \$100,000 at this time, and the money he sent her was about 5% of his pretax income. They talked for a few weeks after he sent the money, and then it occurred to him that he was being scammed. The first time he told security officials about the relationship or payment was in the 2010 polygraph examination. (Tr. 19-118; Answer; GE 2)

SOR ¶ 1.d alleges in 2009, while possessing a security clearance, Applicant used ecstasy during an encounter with a woman he had paid for sexual acts. This allegation is cross alleged under Guideline D. He reported that he had picked up a prostitute in his car, and she put a pill in his mouth, gave him some water, and told him to swallow. He claimed it happened so fast he just swallowed it without asking any questions. She told him it was ecstasy, but he asserted he did not know what the pill was and did not feel the effects of ecstasy. After that encounter, he claimed he never saw this prostitute again, and he did not report the incident to security officials. He claimed this was an instance of drug spiking, but did not adequately explain why he would consume an unknown pill from a prostitute and was not able to spit it out. (Tr. 19-118; Answer; GE 2)

SOR ¶ 1.e alleges in 2011, while possessing a security clearance, Applicant sent payments totaling \$100,000 to a woman in South Korea with whom he had previously paid for sexual acts. It also alleges he intentionally structured these payments in smaller increments to avoid bank reporting requirements. This allegation is cross alleged under Guideline D. He stated this woman was both a prostitute and managed prostitutes. He first met her when he hired her as a prostitute. He claimed he sent her money to help her out and that they only had sex one time. He testified the first amount he sent was \$30,000

and then he sent smaller sums, but not to evade reporting requirements of the transaction. (Tr. 19-118; Answer; GE 2)

Applicant discussed this matter in his background interview with a government investigator. The conversation is documented in the September 2024 summary of interview, which he verified as accurate in January 2025. He told the investigator that he only sent \$5,000 at a time so to avoid bank reporting and detection methods. He thought banks had to report transactions over \$10,000, so by sending smaller payments he would avoid the bank reporting the transactions to the IRS. (Tr. 19-118; Answer; GE 2)

Applicant reported he was earning \$115,000 yearly in 2011 and had substantial savings. He sent her \$70,000 from his savings and took a \$30,000 loan from his 401K account. He thought she was going to pay him back the whole amount, but he only received \$10,000 back. He did not take any action to get his money back, and he did not report the fraud to police or security officials. Despite the warnings about “real time” reporting he received in 2010, the first time he reported this information was in the 2012 polygraph examination, after which his clearance was immediately revoked. (Tr. 19-118; Answer; GE 2)

SOR ¶ 1.f alleges in 2015, Applicant visited a woman in Hong Kong whom he had previously paid for sexual acts. This allegation is cross alleged under Guideline D. He had hired this woman as a prostitute in the U.S in 2009-2010. He had kept in touch with her and met her in Hong Kong when he took a vacation to Asia. (Tr. 19-118; Answer; GE 2; AE A)

SOR ¶ 1.g alleges Applicant deliberately omitted his history of paying women for sexual acts and use of an illegal drug while holding a security clearance from his November 2015 background investigation. The 2015 SCA was included with his Answer, and it shows in Section 18 that Applicant falsified the reason his clearance was revoked in 2012, by omitting the information alleged. (Tr. 19-118; Answer; GE 2)

SOR ¶ 1.h alleges in 2018, Applicant maintained membership to a website associated with prostitution and escort services. He reported he paid for a meeting with at least one person who was an escort through this website. He continues to maintain a relationship with and provide monthly payments to another woman whom he met through this website. This allegation is cross alleged under Guideline D. He testified that the website does not permit prostitution but rather is a dating website for successful older men to provide financial support to younger women to date them. He stated this financial support helps the younger women defray student loans and other costs. Then men pay for time and affection, which could include sex, but it depends on what the couple agrees to. He asserted he selected this website because the terms of use prohibit prostitution. (Tr. 19-118; Answer; GE 2)

In his background interview with a government investigator in September 2024, which he verified as accurate in January 2025, Applicant stated that this was a

controversial website, because it has been associated with escort and prostitution activity and it had been in the news. He also stated that he had encountered escorts on this website, but claimed he reported them. (Tr. 19-118;GE 2)

Applicant reported he ultimately connected with a young woman on this website in 2018. He initially paid her \$2,000 monthly but now pays her about \$2,500 monthly to have a casual dating relationship. He has paid her over \$200,000 since he started seeing her. He claimed that no sex was ever involved in their relationship. He stated he hopes for a traditional relationship with her one day. Neither has met the other's family or friends. She did not testify or submit a character reference on his behalf in this case. (Tr. 19-118; Answer; GE 2)

SOR ¶ 1.i alleges from about March 2023 to June 2024, Applicant engaged in a business venture with and provided payments to a foreign national whom he met online. He reported this relationship was with a man in Bangladesh whom he hired to help him generate traffic to his website. He paid him about \$400 monthly, and his services were helpful. He terminated the relationship when he started working with a defense contractor. This former business relationship no longer remains a security concern. (Tr. 19-118; Answer; GE 2)

SOR ¶ 1.j alleges during his September 2024 background interview with a DoD investigator, Applicant stated he was embarrassed he paid women for sexual acts, and his parents and friends are unaware of the extent to which he engaged in this conduct. This allegation is cross alleged under Guideline D. He stated he did not tell anyone about this conduct because it was taboo behavior. He also stated it was private, discreet, and consensual. He claims he has since told four friends about hiring prostitutes. (Tr. 19-118; Answer; GE 2)

In his testimony throughout the hearing, Applicant repeatedly asserted that he did not "commit any crimes" to have his clearance revoked, rather it was just improper reporting. He repeatedly stated that he believed prostitution is legal because if both adults consent to it, it's not illegal. He thinks this behavior is morally permissible, but he stated he will not participate in it again. At the end of the hearing, in response to questioning, Applicant disclosed he has a condition that impairs his social skills and social awareness. (Tr. 19-118)

Policies

This case is adjudicated under Executive Order (EO) 10865, *Safeguarding Classified Information within Industry* (February 20, 1960), as amended; DOD Directive 5220.6, *Defense Industrial Personnel Security Clearance Review Program* (January 2, 1992), as amended (Directive); and the adjudicative guidelines (AG), which became effective on June 8, 2017.

When evaluating an applicant's suitability for a security clearance, the administrative judge must consider the adjudicative guidelines. In addition to brief

introductory explanations for each guideline, the adjudicative guidelines list potentially disqualifying conditions and mitigating conditions, which are to be used in evaluating an applicant's eligibility for access to classified information.

These guidelines are not inflexible rules of law. Instead, recognizing the complexities of human behavior, administrative judges apply the guidelines in conjunction with the factors listed in the adjudicative process. The administrative judge's overarching adjudicative goal is a fair, impartial, and commonsense decision. According to AG ¶ 2(c), the entire process is a conscientious scrutiny of a number of variables known as the "whole-person concept." The administrative judge must consider all available, reliable information about the person, past and present, favorable and unfavorable, in making a decision. The protection of the national security is the paramount consideration. AG ¶ 2(b) requires that "[a]ny doubt concerning personnel being considered for national security eligibility will be resolved in favor of the national security."

Under Directive ¶ E3.1.14, the Government must present evidence to establish controverted facts alleged in the SOR. Under Directive ¶ E3.1.15, the applicant is responsible for presenting "witnesses and other evidence to rebut, explain, extenuate, or mitigate facts admitted by the applicant or proven by Department Counsel." The applicant has the ultimate burden of persuasion to obtain a favorable security decision.

A person who seeks access to classified information enters into a fiduciary relationship with the Government predicated upon trust and confidence. This relationship transcends normal duty hours and endures throughout off-duty hours. The Government reposes a high degree of trust and confidence in individuals to whom it grants access to classified information. Decisions include, by necessity, consideration of the possible risk the applicant may deliberately or inadvertently fail to safeguard classified information. Such decisions entail a certain degree of legally permissible extrapolation of potential, rather than actual, risk of compromise of classified information.

Section 7 of EO 10865 provides that adverse decisions shall be "in terms of the national interest and shall in no sense be a determination as to the loyalty of the applicant concerned." See *also* EO 12968, Section 3.1(b) (listing multiple prerequisites for access to classified or sensitive information).

Analysis

Guideline E, Personal Conduct

AG ¶ 15 details the personal conduct security concern:

Conduct involving questionable judgment, lack of candor, dishonesty, or unwillingness to comply with rules and regulations can raise questions about an individual's reliability, trustworthiness, and ability to protect classified or sensitive information. Of special interest is any failure to

cooperate or provide truthful and candid answers during national security investigative or adjudicative processes. . .

I have considered the disqualifying conditions under AG ¶ 16 and the following are applicable:

(a) deliberate omission, concealment, or falsification of relevant facts from any personnel security questionnaire, personal history statement, or similar form used to conduct investigations, determine employment qualifications, award benefits or status, determine national security eligibility or trustworthiness, or award fiduciary responsibilities;

(b) deliberately providing false or misleading information; or concealing or omitting information, concerning relevant facts to an employer, investigator, security official, competent medical or mental health professional involved in making a recommendation relevant to a national security eligibility determination, or other official government representative;

(c) credible adverse information in several adjudicative issue areas that is not sufficient for an adverse determination under any other single guideline, but which, when considered as a whole, supports a whole-person assessment of questionable judgment, untrustworthiness, unreliability, lack of candor, unwillingness to comply with rules and regulations, or other characteristics indicating that the individual may not properly safeguard classified or sensitive information; and

(e) personal conduct, or concealment of information about one's conduct, that creates a vulnerability to exploitation, manipulation, or duress by a foreign intelligence entity or other individual or group. Such conduct includes: (1) engaging in activities which, if known, could affect the person's personal, professional, or community standing; (2) while in another country, engaging in any activity that is illegal in that country; (3) while in another country, engaging in any activity that, while legal there, is illegal in the United States.

I have considered the mitigating conditions under AG ¶ 17. The following are potentially applicable:

(a) the individual made prompt, good-faith efforts to correct the omission, concealment, or falsification before being confronted with the facts;

(b) the refusal or failure to cooperate, omission, or concealment was caused or significantly contributed to by advice of legal counsel or of a person with professional responsibilities for advising or instructing the individual specifically concerning security processes. Upon being made aware of the

requirement to cooperate or provide the information, the individual cooperated fully and truthfully;

(c) the offense is so minor, or so much time has passed, or the behavior is so infrequent, or it happened under such unique circumstances that it is unlikely to recur and does not cast doubt on the individual's reliability, trustworthiness, or good judgment;

(d) the individual has acknowledged the behavior and obtained counseling to change the behavior or taken other positive steps to alleviate the stressors, circumstances, or factors that contributed to untrustworthy, unreliable, or other inappropriate behavior, and such behavior is unlikely to recur.

(e) the individual has taken positive steps to reduce or eliminate vulnerability to exploitation, manipulation, or duress; and

(g) association with persons involved in criminal activities was unwitting, has ceased, or occurs under circumstances that do not cast doubt upon the individual's reliability, trustworthiness, judgment, or willingness to comply with rules and regulations.

SOR ¶ 1.i no longer remains a security concern and found for Applicant. None of the mitigating conditions apply to the rest of the Guideline E allegations. I did not find Applicant's explanations and testimony credible. Applicant claims he no longer hires prostitutes for sex or massage girls for sexual acts. However, he has more recently used a controversial website, notorious for prostitution-like arrangements, to meet a much younger woman, whom he has been paying since 2018, to "date" him. He pays her \$2,500 monthly and has likely paid her over \$200,000 since they started "dating".

Applicant is still engaging in the same pattern of paying women for sex, attention, and affection. This behavior has been ongoing since 2005. He admitted he has a sexual addiction to this behavior, and he tried to quit by "self-counseling" through watching online videos about the dangers of prostitution. He continues to look at escort websites for what he claimed are crime-fighting purposes. While he claimed he has aided local and federal law enforcement in going after prostitution rings, he did not provide sufficient evidence to substantiate these claims.

Applicant reported he has a condition that impairs his social skills and social awareness. Considering this disclosure and the substance his testimony, it appears that he does not understand what constitutes illegal or prohibited behavior, which creates concerns and doubts about his ability to follow rules and regulations. He has repeatedly failed to report his illegal behaviors and impermissible activities to security officials. He has been swindled out of hundreds of thousands of dollars by women feigning romantic interest. These behaviors are likely to recur and represents a continuing security threat.

Applicant has repeatedly demonstrated poor judgement, and untrustworthy, unreliable, and other inappropriate behavior. He continues to be vulnerable to exploitation, manipulation, and duress. Applicant does not understand the seriousness of his conduct and cannot be trusted with classified information.

Guideline D, Sexual Behavior

The security concern for sexual behavior is set out in AG ¶ 12:

Sexual behavior that involves a criminal offense; reflects a lack of judgment or discretion; or may subject the individual to undue influence of coercion, exploitation, or duress. These issues, together or individually, may raise questions about an individual's judgment, reliability, trustworthiness, and ability to protect classified or sensitive information. Sexual behavior includes conduct occurring in person or via audio, visual, electronic, or written transmission. No adverse inference concerning the standards in this Guideline may be raised solely on the basis of the sexual orientation of the individual.

The guideline notes several conditions that could raise security concerns under AG ¶ 13 and the following are applicable:

- (a) sexual behavior of a criminal nature, whether or not the individual has been prosecuted;
- (b) pattern of compulsive, self-destructive, or high-risk sexual behavior that the individual is unable to stop;
- (c) sexual behavior that causes an individual to be vulnerable to coercion, exploitation, or duress; and
- (d) sexual behavior of a public nature or that reflects lack of discretion or judgment.

Conditions that could mitigate the sexual behavior security concerns are provided under AG ¶ 14. The following are potentially applicable:

- (b) the sexual behavior happened so long ago, so infrequently, or under such unusual circumstances, that it is unlikely to recur and does not cast doubt on the individual's current reliability, trustworthiness, or judgment;
- (c) the behavior no longer serves as a basis for coercion, exploitation, or duress;
- (d) the sexual behavior is strictly private, consensual, and discreet; and

(e) the individual has successfully completed an appropriate program of treatment, or is currently enrolled in one, has demonstrated ongoing and consistent compliance with the treatment plan, and/or has received a favorable prognosis from a qualified mental health professional indicating the behavior is readily controllable with treatment.

For the same reasons as discussed under Guideline E, none of the mitigating conditions apply to the Guideline D allegations.

Whole-Person Concept

Under the whole-person concept, the administrative judge must evaluate an applicant's eligibility for a security clearance by considering the totality of the applicant's conduct and all relevant circumstances. The administrative judge should consider the nine adjudicative process factors listed at AG ¶ 2(d):

(1) the nature, extent, and seriousness of the conduct; (2) the circumstances surrounding the conduct, to include knowledgeable participation; (3) the frequency and recency of the conduct; (4) the individual's age and maturity at the time of the conduct; (5) the extent to which participation is voluntary; (6) the presence or absence of rehabilitation and other permanent behavioral changes; (7) the motivation for the conduct; (8) the potential for pressure, coercion, exploitation, or duress; and (9) the likelihood of continuation or recurrence.

Under AG ¶ 2(c), the ultimate determination of whether to grant eligibility for a security clearance must be an overall commonsense judgment based upon careful consideration of the guidelines and the whole-person concept. I considered the potentially disqualifying and mitigating conditions in light of all the facts and circumstances surrounding this case. I have incorporated my comments under Guidelines E and D in my whole-person analysis.

Overall, the record evidence leaves me with questions and doubts about Applicant's eligibility for a security clearance. I conclude that Applicant has not mitigated the personal conduct and sexual behavior security concerns.

Formal Findings

Formal findings for or against Applicant on the allegations set forth in the SOR, as required by section E3.1.25 of Enclosure 3 of the Directive, are:

Paragraph 1, Guideline E:	AGAINST APPLICANT
Subparagraphs 1.a-1.h:	Against Applicant

Subparagraph 1.i:	For Applicant
Subparagraph 1.j:	Against Applicant
Paragraph 2, Guideline D:	AGAINST APPLICANT
Subparagraph 2.a:	Against Applicant

Conclusion

It is not clearly consistent with the national interest to grant Applicant a security clearance. Eligibility for access to classified information is denied.

Ross D. Hyams
Administrative Judge